

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION
OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2001

Docket No. R2001-1

RESPONSE OF POSTAL SERVICE WITNESS SCHERER
TO UPS INTERROGATORIES
(UPS/USPS-T30-5-7)

The United States Postal Service hereby provides the response of Postal Service witness Scherer to the following interrogatories of United Parcel Service: UPS/USPS-T30-5-7, filed on November 30, 2001. The response to interrogatory 8 was redirected to the Postal Service.

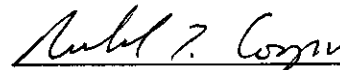
Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking



Richard T. Cooper

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December 18, 2001

**RESPONSE OF POSTAL SERVICE WITNESS SCHERER
TO UPS INTERROGATORIES**

UPS/USPS-T30-5. Refer to your response to interrogatory DFC/USPS-T30-1. Confirm that in GFY 2000, 21.7% of all flat rate Priority Mail envelopes weighed more than 1 pound. If not confirmed, provide the correct percentage.

RESPONSE:

Confirmed.

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UPS/USPS-T30-6. How many pieces in the flat rate envelope category does the Postal Service estimate will weigh more than one pound in TY2003? Explain any assumptions that you make to arrive at this calculation.

RESPONSE:

In the Test Year Before Rates, the number of flat-rate envelopes weighing more than one pound is 27,224,996. This figure is derived in Attachment B, page 2, column (e) of my testimony.

In the Test Year After Rates, the number of flat-rate envelopes weighing more than one pound is 59,727,748. This is derived by applying the GFY 2000 proportion of flat-rate envelopes weighing more than one pound (21.7%, as confirmed in my response to UPS/USPS-T30-5) to the total number of flat-rate envelopes in the TYAR before the modeled migration from the two-pound rate category to the flat rate envelope (117,603,146, as specified in Attachment C, page 5, column (a) of my testimony), and adding the migrated pieces (34,198,694, also specified in Attachment C, page 5, column (a)), all of which weigh more than one pound.

**RESPONSE OF POSTAL SERVICE WITNESS SCHERER
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UPS/USPS-T30-7. Confirm that on page 3 of Attachment C to your testimony, USPS-T-30, you estimate that 34,198,694 pieces will migrate from the two pound rate category to the flat rate envelope in TY2003 under the Postal Service's proposed change to the pricing of the flat rate envelope. If not confirmed, provide the correct number.

RESPONSE:

Confirmed.

DECLARATION

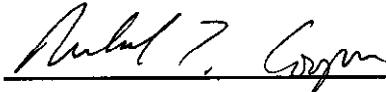
I, Thomas M. Scherer, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Thomas M. Scherer
THOMAS M. SCHERER

Dated: 12-17-01

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.



Richard T. Cooper

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